



# PRESS RELEASE

## Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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### **North Carolina Businessman Pleads Guilty to Misappropriating Approximately \$2.9 Million in Funds from NFL Players** *Failed to Report More Than \$1.4 Million in Embezzled Funds on Tax Returns*

A North Carolina businessman, who provided financial services to professional athletes, pleaded guilty today to wire fraud and filing a false 2011 income tax return, announced Principal Deputy Assistant Attorney General Caroline D. Ciraolo, head of the Justice Department's Tax Division, and U.S. Attorney Ripley Rand for the Middle District of North Carolina.

Michael Rowan, 46, a resident of High Point, North Carolina, operated Capital Management Wealth Advisors Inc. (CMG) and APS Management LLC (APS), along with his business partner. Through CMG and APS, Rowan provided financial and investment services to professional athletes, including players in the National Football League (NFL). From May 2008 through August 2014, Rowan converted and misappropriated approximately \$2.9 million from his clients' bank accounts. For 2009 through 2013, Rowan failed to report the misappropriated funds on his federal income tax returns.

According to documents filed with the court, Rowan, through CMG and APS, contacted prospective NFL Players in college to offer them financial and wealth management services, including bill payment, investment services and financial guidance. Once a player was drafted by the NFL, Rowan would enter into a verbal agreement with the player to provide financial services for an annual fee of between \$15,000 and \$50,000. Rowan directed his clients to execute an agency agreement that allowed Rowan access to the clients' bank accounts. Rowan represented to his clients that he would only make transactions that were authorized by the clients and for the clients' benefit. However, Rowan used his access to his clients' bank accounts to transfer over \$2.9 million for his own personal benefit and without his clients' authorization or knowledge.

Sentencing is scheduled for Jan. 31, 2017. Rowan faces a statutory maximum sentence of 20 years in prison for the wire fraud count and three years in prison for the false tax return count, as well as a period of supervised release and monetary penalties.

Principal Deputy Assistant Attorney General Ciraolo and U.S. Attorney Rand commended special agents of Internal Revenue Service-Criminal Investigation and U.S. Postal Inspection

Service, who conducted the investigation, and Assistant U.S. Attorney Frank Chut and Trial Attorney Mara Strier of the Tax Division, who are prosecuting this case.

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